

Today's Weather

(8 A.M.) Prince Rupert—Cloudy, north-west wind, two miles per hour; barometer, 30.18 (steady); temperature, 55; sea smooth.

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High 11:28 a.m. 16.5 ft. 23:10 p.m. 18.7 ft. Low 5:14 a.m. 6.0 ft. 17:11 p.m. 9.3 ft.

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PRINCE RUPERT, B.C., TUESDAY, AUGUST 17, 1937.

PRICE: 5 CENTS

Shanghai Streets Red With Blood

Wide Areas In Heart Of Great Seaport Wrecked By Air Bombs; Thousands Of People Are Dead

FLIERS A STILL L

No Further Word of Airmen After Three Days; Widespread Search Instituted

Canadians Help

Bob Randall Arrives at Aklavik To Co-operate in Quest

KENYON JOINS HUNT TORONTO, August 17: (Canadian Press)—As planes of Russia, United States and Canada waited in northern areas today to resume the search for Sigismund Levanevsky and five companions lost in the northland during a third Soviet transpolar flight to the United States, Herbert Hollick-Kenyon, noted Canadian flier, said here he had accepted the offer of an airplane from Sir Hubert Wilkins, famous polar explorer, and would begin a search for the six Russians. Kenyon achieved prominence as pilot for Lincoln Ellsworth's Arctic expedition in 1934 which was missing for several weeks.

FAIRBANKS, Aug. 17: (CP)—Joe Crosson, famed mercy flier of the far north, today directed an aerial search over the frozen tundra and ice floes of the Arctic Circle for Sigismund Levanevsky, noted Russian flier, and five companions who are long overdue on a trans-polar flight from Moscow to the United States. No definite word had come from the Russians since 6:44 a.m. P.S.T., Saturday, when the U.S. Signal Corps station at Anchorage picked up weak signals which said "no bearings, having trouble, with wave-band." That was the first word from the fliers in 28 hours and it was a virtual certainty that the plane was down, hundreds of miles from any outpost. Advice from Moscow said the fliers had a food supply for 45 days, sleeping bags, a tent, a portable radio and a rubber float. At Juneau, Governor John W. Tray said he was informed by the State Department that the Soviet government had requested aid in the search.

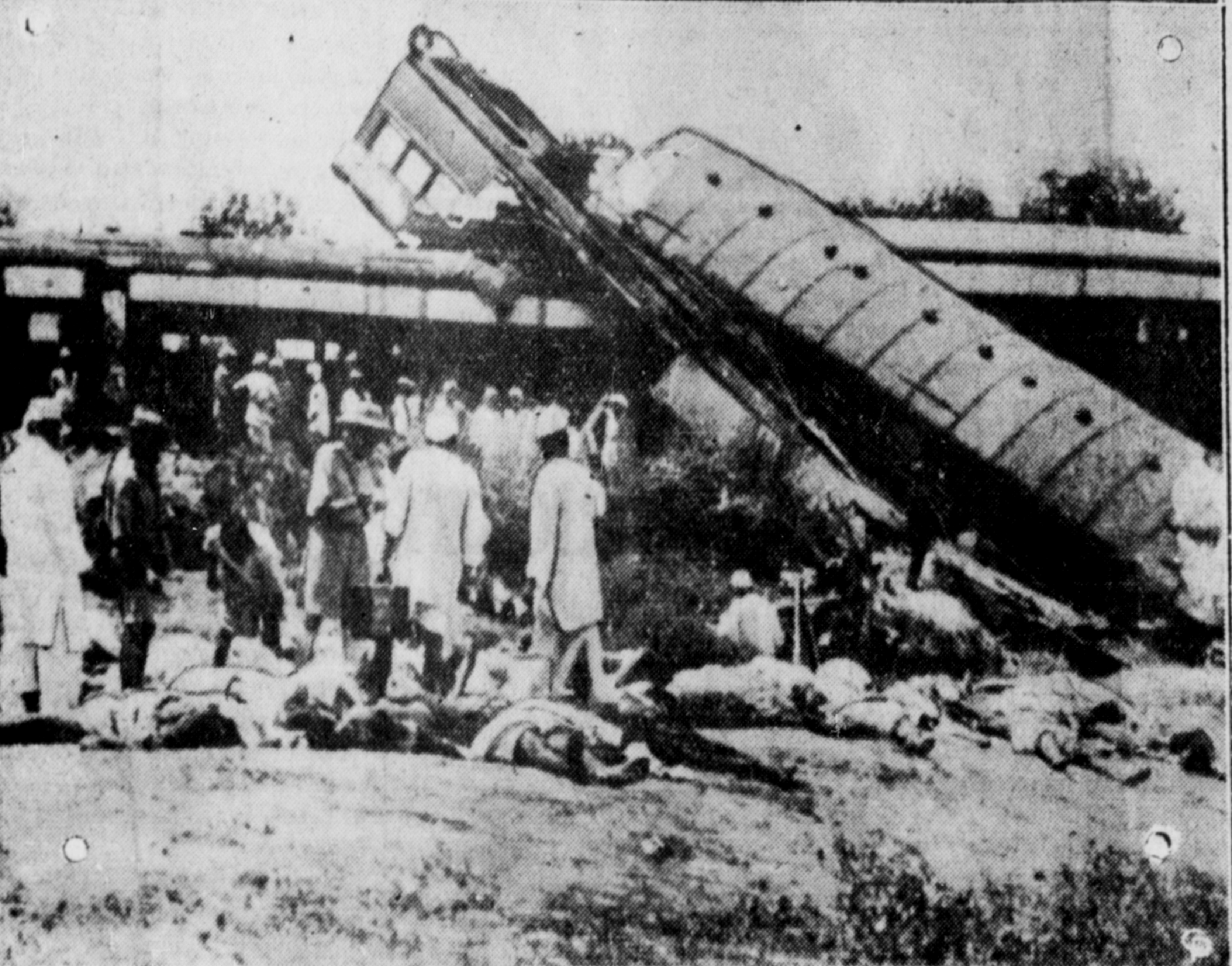
Alaskan commercial planes are continuing the quest northward from Fairbanks in the belief that the Soviet airmen may have been forced down not so very far north of Fairbanks. Meantime, the Soviet government has ordered an aerial search to be instituted from the scientific camp at the North Pole.

According to speculation at Moscow in official quarters, the missing plane may have been forced down with iced wings within the Arctic circle, possibly on an ice floe.

Robert C. Randall, veteran northern Canadian flier, and his mechanic, Gerald Buchan, arrived at Aklavik from Edmonton yesterday with a Fairchild plane to join in the search for Levanevsky and his companions. They will co-ordinate with Jimmy Mattern, operating from Point Barrow, and the other search fliers including eight Russian palnes. The search was spurred yesterday with reports from the Soviet embassy at Washington that a Russian government radio station at Irkutsk in Siberia had picked up signals of a weak and irregularly working transmitter "believed to be the emergency radio set of Sigismund Levanevsky. The signals were received early yesterday morning, the embassy said. "There is a strong belief, the embassy said, "that the signals actually came from the Levanevsky plane."

The Edmonton Canadian Signal (Continued on Page Two)

SUSPECT SABOTAGE WHEN 100 KILLED IN INDIAN TRAIN WRECK



Volunteers are shown aiding injured persons beneath the wrecked coaches of the Punjab-Calcutta express after the train had plunged over an embankment near Patna, India, killing over 100 and injuring 200 persons. The disaster, the worst in Indian railroad history, was caused by a torn-up rail. Authorities are conducting an investigation into rumors of sabotage.

NEW JUDGE APPROVED

United States Senate Judiciary Committee Supports Nomination of Alabaman

WASHINGTON, D.C., August 17: (Canadian Press) — The United States Senate judiciary committee yesterday approved the nomination of Senator Hugo Black, Alabama Democrat, to the Supreme Court of the United States. Although the administration apparently commanded the vote to confirm him, the Senate had opened an inquiry into the qualifications of the 51-year-old Alabaman for service on the Supreme Court. The Senate judiciary sub-committee swiftly approved the nomination of Senator Black. It acted only minutes after President Roosevelt told a press conference that Attorney General Cummings had had informed him that it was perfectly legal and constitutional to appoint Black to the Supreme Court.

Halibut Sales

Canadian Johanna, 6,000, Cold Storage, 11.2c and 8c.

CLIPPER OVER ATLANTIC

NEW YORK, Aug. 17:—The Pan American Clipper III took off yesterday via Bermuda and Azores for a transatlantic flight to England.

Ottawa Cuts Relief Grant

VICTORIA August 17:—The British Columbia government has been advised from Ottawa that its monthly relief grants are to be reduced from \$150,000 to \$120,000. Hon. George S. Pearson, minister of labor, said yesterday that this might prove embarrassing to this province in view of the influx of people to British Columbia from prairie drought areas.

SANTANDER NEAR FALL

Insurgents Expect to Take Biscayan Capital Within a Week—Claim Desisive Victories

Bitter Fighting

Conflict Continues Without Let-Up in Various Parts of War-torn Spain

HENDAYE, Aug. 17: (CP) — Generalissimo Francisco Franco's legions lunged against tottering Santander defences today from five directions and insurgent tacticians predicted the fall of the Biscayan capital within a week. A dispatch from the insurgent side said that seven government battalions had been trapped by Franco's fast-moving offensive, and that the number of government dead had reached the thousands.

A series of raids on other sectors as well as on the two fronts has caused heavy losses on both sides of the Spanish civil war but resulted in no significant gains over the week-end. Loyalists suffered a severe setback in the second day of their offensive on the Guadalaraja front, Madrid admitted. After a column captured Lopera, strategically important village north of Guadalaraja, strong reinforcements forced the Madrid army to withdraw.

Lopera in Jaen Province has been reported a No Man's Land in bitter fighting in which the government and insurgent troops alternately prevailed. It has changed hands twice but the insurgent victors were reported to have found their position untenable and to be moving out of the southern dity.

Meanwhile at Gibraltar British authorities ordered the consular offices there of the Spanish insurgent regime to close its doors because the consulate has been issuing allegedly unauthorized passports.

Insurgent troops pushed into the northern manufacturing city of Reinosa in a terrific battle with retreating government troops, insurgent advices said. The rebels reported the capture of an entire battalion and said that five government battalions had fled.

BETTY IS GOING ON

Girl Canoeist Passes Wales Island Safely on Way to Ketchikan

Betty Lowman of Anacortes, Washington, in the course of her solo canoe trip from Seattle to Alaska, arrived safely at Wales Island on Saturday from Port Simpson and left on Sunday in continuation of the trip to Ketchikan, planning one stop between Wales Island to Ketchikan.

Word of Miss Lowman's progress was brought here by the steamer Catala this morning on her arrival from Wales Island enroute to Vancouver.

Late Telegraphs

WALLACE BADLY BEATEN CHICAGO—Georgie Salvadore, Houston, Texas, scored a clean-cut decision over Gordon Wallace, Vancouver, in ten rounds here last night. Salvadore's infighting overcame Wallace's long looping lefts. Salvadore weighed 141 pounds; Wallace, 145.

CANNERYMAN DIES VANCOUVER — Angus James Hugh McMillan, 52, born at Sea Island, veteran canneryman, died yesterday.

MINERS ASPHYXIATED GOLDEN — The bodies of two miners—Lloyd Larabee, 43, and William Hanson, 17, were found at the bottom of the shaft in the Spillimacheen mine near here. They had been asphyxiated.

HALIBUT BOATS SEIZED PORTLAND — Four halibut boats—Enterprise, Martha, Saga and Wenterstad—have been seized by Collector of Customs Miller here on allegation of violation of the international regulations prohibiting fishing south of Cape Spencer after July 28. Catches, aggregating 7800 pounds, have also been seized from the Portland Fish Co. which is also subject to prosecution.

BAR SILVER NEW YORK: (CP) —Bar silver was unchanged at 44 3/4 per fine ounce on the New York metal market today.

OTTAWA QUASHES

Aberhart Government Refuses to Meet Request of Premier King

OTTAWA, August 17: (Canadian Press)—Following a session of the federal cabinet this afternoon to consider the refusal of Premier William Auerhart of Alberta to co-operate in sending Alberta statutes in regard to banking to Supreme Court for a test of constitutionality, the Dominion government announced early this evening that the prairie province's bank legislation, passed at the recent session of the legislature, had been disallowed. This drastic power of federal veto over provincial enactments is not often exercised. This is the first time since 1934. No appeal is possible from such disallowance.

CO-OPERATION REFUSED

EDMONTON, August 17: — Following a meeting of the cabinet yesterday, Premier William Auerhart last night saw the reply of the Alberta government to Prime Minister William Lyon Mackenzie King, asking co-operation in referring new Social Credit legislation regarding banks to the Supreme Court of Canada for test of validity and that the province refrain temporarily from enforcing the legislation, was ready to be transmitted to Ottawa.

Premier Auerhart, disclosing the nature of the reply, made the statement: "We are compelled by mandate of our people to proceed with enforcing our legislation."

NO TRACE OF BODY

No Success in Efforts to Recover Remains of Ernest Roberts From Skeena Slough

Police have had no success so far in their efforts by dragging and other means to recover the body of Ernest Roberts, Port Essington Indian, who lost his life by drowning Saturday night when he fell overboard in the Skeena Slough near Dominion Rock from the stern of a fishing boat in which he and friends were bound for Port Essington after a visit in Prince Rupert.

Companions of Roberts on the boat were Fred Benson, Dorreen Roberts, sister of deceased, Irene Wesley and a small child. Dorreen was steering the boat at the time. The child was the only member of the party to see Roberts fall overboard. His hat had blown off his head and it was when he attempted to snatch at it that he fell in. According to the police, there is believed to have been liquor on the boat when it left Prince Rupert early in the evening.

Today's Weather

(Government) Telegraphs) Terrace—Cloudy, calm, temperature, 60. Aiyansh—Cloudy, calm, 56. Alice Arm—Light fog, 58. Stewart—Cloudy, calm, 56. Hazelton—Part cloudy, calm, 57. Smithers—Part cloudy, calm, 60. Burns Lake—Part cloudy, calm, 55.

Both Sides Claim to Have Inflicted Heavy Losses on the Other—Japan is Now on Full Wartime Basis

NANKING, August 17: (Canadian Press)—The legislative Yuan, executive of the Chinese government, today decreed national mobilization. Details of the emergency measure were not immediately disclosed.

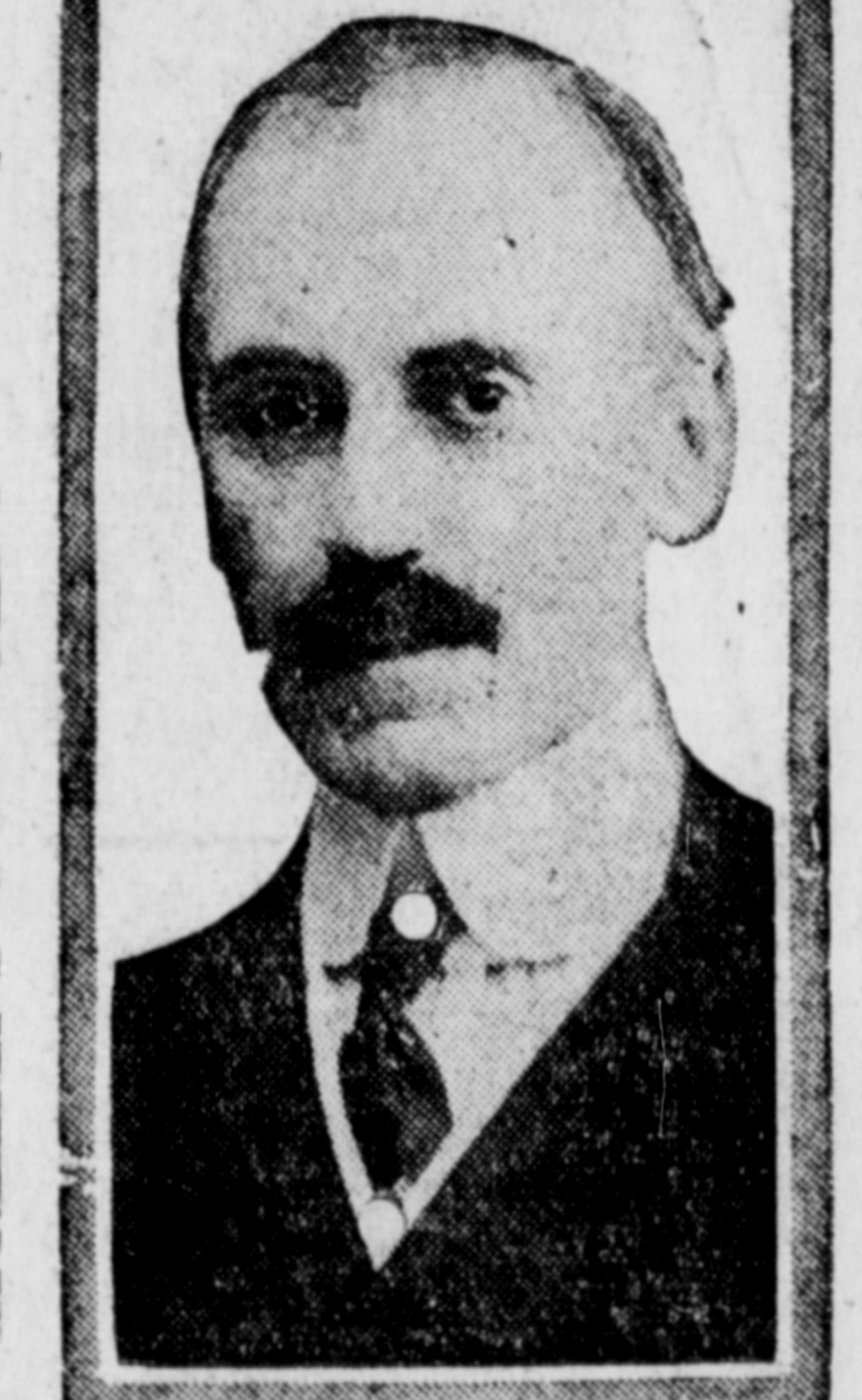
SHANGHAI, August 17: (Canadian Press) — Both sides claimed that air squadrons had inflicted heavy losses on the other in the Sino-Japanese conflict yesterday. Chinese bombing planes wrecked wide areas in the heart of Shanghai while attempting to sink Japanese gunboats in the Whangpoo River. American volunteers said that one bomb alone killed upwards to a thousand persons in the Thibet Road area where bodies were scattered on the sidewalk seven feet apart. Raining down through clouds and fog, the high explosives ripped up pavements, sewers and water mains, smashed buildings and killed hundreds in the vicinity of the main hotels in the centre of the city. The U. S. Cruiser Augusta arrived and anchored in the lower reaches of the Whangpoo River.

THOROUGH PROBE ON

Royal Commission on Dominion Provincial Finances to Start Work Soon

OTTAWA, August 17: (Canadian Press)—Preparations for the first thorough-going review of Canadian constitutional and governmental machinery since Confederation went ahead today following the appointment at the end of the week of the Royal Commission on Dominion-provincial financial relations.

Hon. N. W. Rowell



Chairman of Royal Commission on Dominion-provincial relations.

inlon-provincial financial relations. The committee, which will meet at an early date for organization purposes, consists, as announced yesterday, of the following:

Chief Justice Newton Rowell of the Ontario Supreme Court, chairman.

Mr. Justice Thibadeau Rinfret of the Dominion Supreme Court, Ottawa.

John W. Dafee, president and editor of the Winnipeg Free Press.

Robert A. MacKay, professor of government at Dalhousie University, Halifax.

Prof. H. F. Angus, University of British Columbia, Vancouver.

The central purpose of the Commission, it is announced, is "to provide for the re-examination of the economic and financial basis of Confederation and of the distribution of legislative powers in the light of economic and social developments of the last sixty years."

Japanese warships early today had resumed heavy shelling of Poo-chung. Shell splinters spray peaceful foreign home areas with death by day and great guns were still roaring out terror tonight for the Chinese-Japanese battlefield of Shanghai. One hundred thousand men fight to a goal which none can foresee. Fires ring the city. Concession police are unable to learn the number of dead and injured but it is estimated that fifty persons, all Chinese, were added today to the list of thousands already killed in the five-day siege. Business of the metropolis is utterly collapsed. More than two thousand British and American women and children have fled from Shanghai, running down the Whangpoo River to waiting liners under blazing guns of the Japanese fleet. At dusk tonight guns of Japanese warships in the river began a terrific bombardment. Unconfirmed reports say that Chinese forces have penetrated the Japanese advance positions in some places near the city. International settlement authorities have proclaimed strict measures to maintain order and protect life and property. Strict curfew is being enforced. Many foreign homes are virtually without food. A daring exploit yesterday was that of Chinese in a speedboat, rigged up with torpedoes, who attacked the Japanese flagship Idzumo and compelled it to retire. Shanghai and its 3,500,000 Chinese and foreign inhabitants have been virtually plunged into general hostilities. Japanese blue jackets still face machine guns wheeled in position at the Chinese north railway station.

Doomed to Tragedy Shellfire and flames have now left this city seemingly irretrievably doomed to the principal role in 1937's bloody chapter of the Sino-Japanese tragedy. Hostilities between Japanese bluejackets and China's army regulars flared from Shanghai proper all along the ten

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